

# Trans-Pacific Partnership



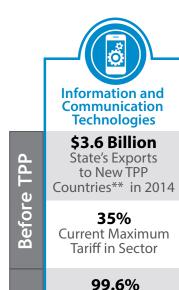
# California: Supporting Made-in-America **Exports and Jobs**



### TPP Countries\* are Important for California's Exporters

- \$71.6 Billion in goods exports from California to TPP countries in 2014, including \$12.2 Billion in goods exports to Japan, \$2.3 Billion to Malaysia, and \$1.2 Billion to Vietnam
- 41% of California's goods exports went to TPP countries in 2014
- 39,160 companies from California exported goods to TPP countries in 2013 95% were small and medium sized companies

# TPP Will Eliminate All Foreign Import Taxes on Industrial and Consumer Goods, Benefiting California's Top Export Sectors



of U.S. Goods

Exports will be

**Duty-Free** 

**Immediately** 

in the New TPP

Countries





**Immediately** 

in the New TPP

Countries



<b>25%</b> rrent Maximum Fariff in Sector	<b>25%</b> Current Maximum Tariff in Sector
<b>99.9%</b>	<b>99.6%</b>
of U.S. Goods	of U.S. Goods
exports will be	Exports will be
<b>Duty–Free</b>	<b>Duty-Free</b>



Instruments

\$977 Million

State's Exports

to New TPP

**Immediately** 

in the New TPP

Countries

#### Chemicals

\$810 Million State's Exports to New TPP Countries\*\* in 2014

35% Current Maximum Tariff in Sector

97.2%

of U.S. Goods Exports will be **Duty-Free Immediately** in the New TPP Countries

\* TPP Countries: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam

99.9%

of U.S. Goods

Exports will be

**Duty-Free** 

**Immediately** 

in the New TPP

Countries

\*\* New TPP Countries: Countries with which the United States currently does not have preferential market access – Brunei, Japan, Malaysia, New Zealand, and Vietnam

### **Additional New Market Access Benefits for California**



**Agriculture:** TPP will provide new and commercially meaningful market access for U.S. exports of food and agricultural products;

eliminate the use of agricultural export subsidies; discourage countries from imposing export restrictions; and ensure food safety, animal health, and plant health measures are developed and implemented transparently and in a science-based manner.

For more information, please visit: **www.fas.usda.gov/TPP** 



**Services:** TPP will expand market access and investment opportunities in a number of services sectors, including

entertainment, telecommunications, software licensing, the Internet industry, retailing, and logistics/express delivery. TPP will bar discrimination against digital provision of services and prevent customs duties on electronic transmissions.

For more information, please visit: www.trade.gov/fta/TPP

# California Companies and Workers Depend on World Markets

775,320

U.S. Jobs Supported by Goods Exported from California in 2014



### **TPP Works for California**

# Saves Money, Increases Competitiveness



# Promotes Fairness & American Values



**Digital Economy:** Establishes requirements that support a single, global Internet, including ensuring a free flow of data across borders. Promotes non-discriminatory treatment of digital products transmitted electronically, including a commitment that TPP countries will not impose customs duties on digital products.

**Intellectual Property Rights:** Establishes strong protections for patents, trademarks, copyrights, and trade secrets, including safeguards against cyber-theft of trade secrets, as well as robust enforcement that will protect innovation and the good jobs it supports.

Technical Barriers to Trade (TBT) and Regulatory Coherence: Enhances transparency, reduces unnecessary testing and certification costs, and promotes greater openness as standards are developed. Establishes sector-specific TBT commitments on medical devices, pharmaceuticals, cosmetics, information and communication technologies, food and food additives, organics, and distilled spirits that strive to align standards and regulations across the TPP region.

Customs and Rules of Origin: Creates transparent and predictable rules to facilitate the quick release of goods and promote TPP regional supply chains. Promotes common rules of origin and customs procedures to ensure that TPP benefits go to the United States and other TPP countries, not countries like China.

**Government Procurement:** Increases access to government procurement markets in TPP countries and ensures fair, transparent, and non-discriminatory rules.

**Environment:** Creates strong and enforceable environment obligations and includes new provisions on wildlife trafficking, illegal logging, and illegal fishing practices.

**Labor:** Establishes enforceable obligations, including adherence to fundamental labor rights as recognized by the International Labor Organization.

#### **State-Owned Enterprises (SOEs):**

Develops rules to ensure that U.S. private sector businesses and workers are able to compete on fair terms with SOEs engaged in commercial activity.

**Investment:** Ensures that U.S. investors have the same kinds of protections in TPP markets that the United States already provides to investors here at home.

**Enforcement:** Establishes fair and transparent dispute settlement mechanism that applies to all chapters and procedures to settle disputes in a timely manner.

### \$173.8 Billion





### 75,175

Companies Exported Goods from California in 2013



#### 96%

SME share of Goods-Exporting Companies from California in 2013



### 45%

SME share of California's Goods Exports in 2013



## Metropolitan Exports in 2014



- Los Angeles Long Beach Anaheim \$75.5 Billion
- San Francisco Oakland Hayward \$26.9 Billion
- San Jose Sunnyvale Santa Clara
   \$21.1 Billion